

SUPREME COURT OF THE STATE OF NEW YORK
NASSAU COUNTY

THE PEOPLE OF THE STATE OF NEW YORK

-against-

SHIRLEY L. HUNTLEY,
PATRICIA D. SAVAGE,
LYNN H. SMITH, and
DAVID R. GANTT,

Defendants.

INDICTMENT No. 1130N-12

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. **Background**

A. **Member Items**

“Member items” are grants of New York State money sponsored by a member of the New York State Legislature for a particular purpose and a particular grantee. Member items are administered and paid by a New York State government agency.

B. **Not-for-Profit Corporations**

Corporate entities in the State of New York with certain charitable, educational, or scientific purposes may be organized as not-for-profit corporations under New York State law. Article 7-A of the New York State Executive Law requires any such organizations that raise funds from members of the public, foundations, and governmental agencies in the State of New York to register and file annual financial reports with the Office of the New York State Attorney General.

II. Relevant Entities and the Defendants

A. The Parent Workshop, Inc. ("Parent Workshop") was a not-for-profit corporation incorporated under New York State law on March 13, 2006. Its articles of incorporation stated that the purpose of the Parent Workshop was to increase parents' knowledge of the inner workings of the New York City school system. As of May 16, 2008, the corporate address for the Parent Workshop was in Nassau County.

B. The New York State Department of State ("DOS") was the New York State agency that funded a member item for the Parent Workshop pursuant to a contract with the Parent Workshop.

C. SHIRLEY L. HUNTLEY ("HUNTLEY") was a New York State Senator. HUNTLEY incorporated the Parent Workshop and sponsored a \$30,000 member item for the Parent Workshop in or about May 2008.

D. PATRICIA D. SAVAGE ("SAVAGE") was President of the Parent Workshop.

E. LYNN H. SMITH ("SMITH") was listed in bank records as the Treasurer for the Parent Workshop. SMITH was HUNTLEY's niece and resided with HUNTLEY when HUNTLEY sponsored the Parent Workshop member item and when Parent Workshop was funded by DOS.

F. DAVID R. GANTT ("GANTT") was employed by the New York City Housing Authority as a Community Associate and also purported to be a consultant to the Parent Workshop.

G. The Southern Queens Park Association, Inc. ("SQPA") was a New York State not-for-profit corporation. Among other functions, SQPA ran the Beacon Program at the Beacon

Center at Intermediate School 8 in Queens County. One of the purposes of the Beacon Program was to coordinate the use by community groups of the facilities at the Beacon Center.

III. The Fraudulent Scheme

A. Theft of New York State Money

From in or about July 2008 through in or about May 2009, defendants PATRICIA D. SAVAGE and LYNN H. SMITH stole approximately \$29,950 from the member item for the Parent Workshop that was sponsored by defendant SHIRLEY L. HUNTLEY. SAVAGE and SMITH accomplished this theft by falsely promising in a contract filed with DOS to hire professional consultants to make outreach visits and conduct workshops for parents about the New York public school system. To induce DOS to provide funds to the Parent Workshop, SAVAGE and SMITH submitted to DOS four false vouchers that purported to describe work performed under the contract with DOS that in fact was not performed. Relying on these false promises and representations, DOS paid the Parent Workshop in five installments, totaling the amount of the theft. Instead of paying consultants to perform the work described in the contract and vouchers, SAVAGE and SMITH took the DOS funds for themselves.

B. Obstruction of the New York State Attorney General's Investigation

1. In March 2011, the Office of the New York State Attorney General ("Office") issued a subpoena to the Parent Workshop. The Office subsequently received business records that had been falsified to make it appear as if the Parent Workshop had performed the services stated in the contract and payment vouchers filed with DOS, when in fact no such services were performed.

2. On a date during the period from in or about March 2011 through in or about April 2011, Defendant DAVID R. GANTT falsely claimed on four such records of the

Parent Workshop that he received payment from the Parent Workshop for work performed as a consultant.

3. On a date during the period from in or about March 2011 through in or about April 2011, defendants HUNTLEY and SAVAGE, in response to the Office's investigation, caused a witness known to the Grand Jury to create a backdated letter from SQPA addressed to the Parent Workshop ("the SQPA letter"). This witness created the SQPA letter, making it appear as if it had been written and sent in May 2009 by another witness known to the Grand Jury. The SQPA letter invited the Parent Workshop to "return" to the Beacon when in fact the Parent Workshop had never conducted any workshops through the Beacon Program. In addition, a witness known to the Grand Jury created the SQPA letter on outdated SQPA letterhead to make it appear as if it had been written in May 2009. The falsified SQPA letter was provided to the Office in response to its March 2011 subpoena to the Parent Workshop.

4. Other documents received by the Office in response to its March 2011 subpoena to the Parent Workshop also were falsified to make it appear as if the Parent Workshop had conducted workshops, when in fact no such workshops were ever conducted.

COUNT ONE

THE GRAND JURY, by this Indictment, accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **GRAND LARCENY IN THE THIRD DEGREE, in violation of Penal Law §155.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about September 2008, in the County of Nassau and elsewhere, stole property, specifically: a \$7,500 check, dated September 2, 2008, issued from New York State to the Parent Workshop.

COUNT TWO

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, in violation of Penal Law §175.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about October 2008, in the County of Nassau and elsewhere, knowing that a written instrument contained a false statement and false information, and with intent to defraud the State of New York, and any political subdivision, public authority, and public benefit corporation of the state, offered and presented it to a public office and a public servant with the knowledge and belief that it would be filed with, registered and recorded in, and otherwise become part of the records of such public office and public servant, specifically: Standard Voucher, payment date October 9, 2008, claiming reimbursement of expenditures incurred pursuant to Contract number TM81522, submitted to the New York State Department of State by the Parent Workshop.

COUNT THREE

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **GRAND LARCENY IN THE THIRD DEGREE, in violation of Penal Law §155.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, from in or about September 2008 through in or about November 2008, in the County of Nassau and elsewhere, stole property, specifically: a \$5,550 check, dated October 21, 2008, issued from New York State to the Parent Workshop.

COUNT FOUR

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, in violation of Penal Law §175.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about December 2008, in the County of Nassau and elsewhere, knowing that a written instrument contained a false statement and false information, and with intent to defraud the State of New York, and any political subdivision, public authority, and public benefit corporation of the state, offered and presented it to a public office and a public servant with the knowledge and belief that it would be filed with, registered and recorded in, and otherwise become part of the records of such public office and public servant, specifically: Standard Voucher, payment date December 8, 2008, claiming reimbursement of expenditures incurred pursuant to Contract number TM81522, submitted to the New York State Department of State by the Parent Workshop.

COUNT FIVE

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **GRAND LARCENY IN THE THIRD DEGREE, in violation of Penal Law §155.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about December 2008, in the County of Nassau and elsewhere, stole property, specifically: a \$5,550 check, dated December 15, 2008, issued from New York State to the Parent Workshop.

COUNT SIX

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, in violation of Penal Law §175.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about January 2009, in the County of Nassau and elsewhere, knowing that a written instrument contained a false statement and false information, and with intent to defraud the State of New York, and any political subdivision, public authority, and public benefit corporation of the state, offered and presented it to a public office and a public servant with the knowledge and belief that it would be filed with, registered and recorded in, and otherwise become part of the records of such public office and public servant, specifically: Standard Voucher, payment date January 13, 2009, claiming reimbursement of expenditures incurred pursuant to Contract number TM81522, submitted to the New York State Department of State by the Parent Workshop.

COUNT SEVEN

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **GRAND LARCENY IN THE THIRD DEGREE, in violation of Penal Law §155.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, from in or about January 2009 through in or about February 2009, in the County of Nassau and elsewhere, stole property, specifically: a \$5,500 check, dated January 27, 2009, issued from New York State to the Parent Workshop.

COUNT EIGHT

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, in violation of Penal Law §175.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about April 2009, in the County of Nassau and elsewhere, knowing that a written instrument contained a false statement and false information, and with intent to defraud the State of New York, and any political subdivision, public authority, and public benefit corporation of the state, offered and presented it to a public office and a public servant with the knowledge and belief that it would be filed with, registered and recorded in, and otherwise become part of the records of such public office and public servant, specifically: Standard Voucher, payment date April 8, 2009, claiming reimbursement of expenditures incurred pursuant to Contract number TM81522, submitted to the New York State Department of State by the Parent Workshop.

COUNT NINE

AND THE GRAND JURY, by this Indictment, further accuses the defendants PATRICIA D. SAVAGE and LYNN H. SMITH of the crime of **GRAND LARCENY IN THE THIRD DEGREE, in violation of Penal Law §155.35**, committed as follows:

Defendants PATRICIA D. SAVAGE and LYNN H. SMITH, acting in concert, in or about April 2009, in the County of Nassau and elsewhere, stole property, specifically: a \$5,850 check, dated April 17, 2009, issued from New York State to the Parent Workshop.

COUNT TEN

AND THE GRAND JURY, by this Indictment, further accuses defendants SHIRLEY L. HUNTLEY, PATRICIA D. SAVAGE, and DAVID R. GANTT of the crime of **CONSPIRACY IN THE FIFTH DEGREE, in violation of Penal Law §105.05(1)**, committed as follows:

Defendants SHIRLEY L. HUNTLEY, PATRICIA D. SAVAGE, and DAVID R. GANTT, from in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent that conduct constituting Tampering with Physical Evidence and Falsifying Business Records in the First Degree, in which the intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, be performed, agreed with one or more persons to engage in and cause the performance of such conduct.

The purpose of the conspiracy was to make, devise, and prepare false physical evidence and to make false entries in the business records of enterprises, including: (1) a falsified letter from the Southern Queens Park Association addressed to "Ms. Patricia Savage, Parent Workshop, Inc., 50 East Saint Marks, Valley Stream, NY 11580"; (2) four false documents

signed by defendant DAVID R. GANTT falsely stating that defendant DAVID R. GANTT received cash payments from the Parent Workshop for work performed as a consultant; (3) four false documents purporting to have been signed by a person known to the Grand Jury falsely stating that the person received cash payments from the Parent Workshop for work performed as a consultant; (4) twelve false documents purporting to be flyers that advertised seminars and workshops presented by the Parent Workshop; (5) six false letters purporting to have been written by attendees of seminars and workshops conducted by the Parent Workshop. The conspiracy consisted of defendants SHIRLEY L. HUNTLEY, PATRICIA D. SAVAGE, and DAVID GANTT, and others, known and unknown to the Grand Jury, who, during the course of the conspiracy, committed the following overt acts, among other acts, each aiding the other and acting in concert with each other, as part of and in furtherance of the conspiracy and to effect its objectives:

Overt Acts

1. From in or about March 2011 through in or about April 2011, defendant SHIRLEY L. HUNTLEY drafted a handwritten letter that served as a template for the falsified letter from the Southern Queens Park Association addressed to "Ms. Patricia Savage, Parent Workshop Inc., 50 East Saint Marks, Valley Stream, NY, 11580."
2. In or about April 2011, defendant PATRICIA D. SAVAGE delivered the handwritten draft letter to a witness known to the Grand Jury.
3. On a date during the period from in or about March 2011 through in or about April 2011, defendant DAVID R. GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of April 1, 2008 to June 30, 2008.

4. On a date during the period from in or about March 2011 through in or about April 2011, defendant DAVID R. GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of July 1, 2008 to September 30, 2008.

5. On a date during the period from in or about March 2011 through in or about April 2011, defendant DAVID R. GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of October 1, 2008 to December 31, 2008.

6. On a date during the period from in or about March 2011 through in or about April 2011, defendant DAVID R. GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3900.00 in cash for work performed as a consultant during the period of January 1, 2009 to March 31, 2009.

COUNT ELEVEN

AND THE GRAND JURY, by this Indictment, further accuses the defendants SHIRLEY L. HUNTLEY and PATRICIA D. SAVAGE of the crime of **TAMPERING WITH PHYSICAL EVIDENCE, in violation of Penal Law §215.40(1)**, committed as follows:

Defendants SHIRLEY L. HUNTLEY and PATRICIA D. SAVAGE, acting in concert with each other and with a witness known to the Grand Jury, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with the intent that it be used and introduced in an official proceeding and a prospective official proceeding, knowingly made, devised, and prepared false physical evidence, specifically: a letter dated May 10, 2009 from the Southern Queens Park Association to the Parent Workshop.

COUNT TWELVE

AND THE GRAND JURY, by this Indictment, further accuses the defendants SHIRLEY L. HUNTLEY and PATRICIA D. SAVAGE of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10,** committed as follows:

Defendants SHIRLEY L. HUNTLEY and PATRICIA D. SAVAGE, acting in concert with each other and with a witness known to the Grand Jury, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent to defraud, made and caused a false entry in the business records of an enterprise, and their intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, specifically: a letter dated May 10, 2009 from the Southern Queens Park Association to the Parent Workshop.

COUNT THIRTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **TAMPERING WITH PHYSICAL EVIDENCE, in violation of Penal Law §215.40(1),** committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with the intent that it be used and introduced in an official proceeding and a prospective official proceeding, knowingly made, devised, and prepared false physical evidence, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of April 1, 2008 to June 30, 2008.

COUNT FOURTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10**, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent to defraud, made and caused a false entry in the business records of an enterprise, and his intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of April 1, 2008 to June 30, 2008.

COUNT FIFTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **TAMPERING WITH PHYSICAL EVIDENCE, in violation of Penal Law §215.40(1)**, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with the intent that it be used and introduced in an official proceeding and a prospective official proceeding, knowingly made, devised, and prepared false physical evidence, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of July 1, 2008 to September 30, 2008.

COUNT SIXTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10**, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent to defraud, made and caused a false entry in the business records of an enterprise, and his intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of July 1, 2008 to September 30, 2008.

COUNT SEVENTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **TAMPERING WITH PHYSICAL EVIDENCE, in violation of Penal Law §215.40(1)**, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with the intent that it be used and introduced in an official proceeding and a prospective official proceeding, knowingly made, devised, and prepared false physical evidence, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of October 1, 2008 to December 31, 2008.

COUNT EIGHTEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE** in violation of Penal Law §175.10, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent to defraud, made and caused a false entry in the business records of an enterprise, and his intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3700.00 in cash for work performed as a consultant during the period of October 1, 2008 to December 31, 2008.

COUNT NINETEEN

AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **TAMPERING WITH PHYSICAL EVIDENCE**, in violation of Penal Law §215.40(1), committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with the intent that it be used and introduced in an official proceeding and a prospective official proceeding, knowingly made, devised, and prepared false physical evidence, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3900.00 in cash for work performed as a consultant during the period of January 1, 2009 to March 31, 2009.

COUNT TWENTY

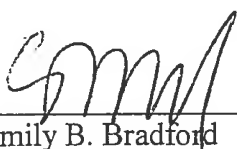
AND THE GRAND JURY, by this Indictment, further accuses the defendant DAVID R. GANTT of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10**, committed as follows:

Defendant DAVID R. GANTT, in or about March 2011 through in or about April 2011, in the County of Nassau and elsewhere, with intent to defraud, made and caused a false entry in the business records of an enterprise, and intent to defraud included an intent to commit the crime of Tampering with Physical Evidence and to aid and conceal the commission of the crime of Grand Larceny, specifically: GANTT signed a record falsely indicating that he received from the Parent Workshop the sum of \$3900.00 in cash for work performed as a consultant during the period of January 1, 2009 to March 31, 2009.

ERIC T. SCHNEIDERMAN
NEW YORK STATE
ATTORNEY GENERAL

Dated: July 11, 2012
New York, NY

By:



Emily B. Bradford
Senior Counsel

REPRESENTED IND. #

N/A

No. 1130N-12

REPRESENT OF IND.#1941N-11
THE PEOPLE OF THE STATE OF NEW YORK,

-against-

SHIRLEY L. HUNTLEY,
PATRICIA D. SAVAGE,
LYNN H. SMITH, and
DAVID R. GANTT,

Defendants.

INDICTMENT

GRAND LARCENY IN THE THIRD DEGREE, P.L. §155.35 – five counts against SAVAGE and SMITH
OFFERING A FALSE INSTRUMENT FOR FILING IN THE FIRST DEGREE, P.L. § 175.35 – four counts against SAVAGE and SMITH
TAMPERING WITH PHYSICAL EVIDENCE, P.L. § 215.40 – one count against HUNTLEY and SAVAGE
TAMPERING WITH PHYSICAL EVIDENCE, P.L. § 215.40 – four counts against GANTT
FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, P.L. § 175.10 – one count against HUNTLEY and SAVAGE
FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, P.L. § 175.10 – four counts against GANTT
CONSPIRACY IN THE FIFTH DEGREE, P.L. § 105.05(1) – one count against HUNTLEY, SAVAGE, and GANTT

A True Bill

Foreperson